



Consumer Protection Committee

Filed: 2/28/2007

09500HB1119ham001

LRB095 08557 MJR 32026 a

1 AMENDMENT TO HOUSE BILL 1119

2 AMENDMENT NO. _____. Amend House Bill 1119 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Public Utilities Act is amended by changing
5 Section 16-128 as follows:

6 (220 ILCS 5/16-128)

7 Sec. 16-128. Provisions related to utility employees
8 ~~during the mandatory transition period.~~

9 (a) The General Assembly finds:

10 (1) The reliability and safety of the electric system
11 has depended and depends on a workforce of skilled and
12 dedicated employees, equipped with technical training and
13 experience.

14 (2) The integrity and reliability of the system ~~has~~
15 also requires ~~depended on~~ the industry's commitment to

1 invest in regular inspection and maintenance, to assure
2 that it can withstand the demands of heavy service
3 requirements and emergency situations.

4 (3) It is in the State's interest to protect the
5 interests of utility employees who have and continue to
6 dedicate ~~dedicated~~ themselves to assuring reliable service
7 to the citizens of this State, and who might otherwise be
8 economically displaced in a restructured industry.

9 The General Assembly further finds that it is necessary to
10 assure that employees of electric utilities and employees of
11 contractors or subcontractors performing work on behalf of an
12 electric utility operating in the deregulated industry have the
13 requisite skills, knowledge, training, experience, and
14 competence to provide reliable and safe electrical service ~~and~~
15 ~~therefore that alternative retail electric suppliers shall be~~
16 ~~required to demonstrate the competence of their employees to~~
17 ~~work in the industry.~~

18 The General Assembly also finds that it is necessary to
19 assure that employees of alternative retail electric suppliers
20 and employees of contractors or subcontractors performing work
21 on behalf of an alternative retail electric suppliers operating
22 in the deregulated industry have the requisite skills,
23 knowledge, training, experience, and competence to provide
24 reliable and safe electrical service.

25 To ensure that these findings and prerequisites for
26 reliable and safe electrical service continue to prevail, each

1 alternative retail electric supplier, electric utility,
2 contractors, and subcontractor performing work on behalf of an
3 electric utility or alternative retail electric supplier must
4 demonstrate the competence of their respective employees to
5 work in the electric industry.

6 The knowledge, skill, training, experience, and competence
7 levels to be demonstrated shall be consistent with those
8 ~~generally~~ required of or by the electric utilities in this
9 State as of January 1, 2007, with respect to their employees
10 and employees of contractors or subcontractors performing work
11 on their behalf. Nothing in this Section shall prohibit an
12 electric utility from establishing knowledge, skill, training,
13 experience, and competence levels greater than those required
14 as of January 1, 2007.

15 An adequate ~~Adequate~~ demonstration of requisite knowledge,
16 skill, training, experience, and competence shall include, at a
17 minimum, ~~such factors as~~ completion or current participation
18 and ultimate completion by the employee of an accredited or
19 otherwise recognized apprenticeship program for the particular
20 craft, trade or skill, or specified and several years of
21 employment with an electric utility performing a particular
22 work function.

23 The Commission shall have an affirmative statutory
24 obligation to ensure that an electric utility is employing
25 employees, contractors, and subcontractors with employees who
26 meet the requirements of subsection (a) of this Section when

1 installing, operating, and maintaining generation,
2 transmission, or distribution facilities and equipment within
3 this State.

4 To implement this requirement for alternative retail
5 electric suppliers, the Commission, in determining that an
6 applicant meets the standards for certification as an
7 alternative retail electric supplier, shall require the
8 applicant to demonstrate (i) that the applicant is licensed to
9 do business, and bonded, in the State of Illinois; and (ii)
10 that the employees of the applicant that will be installing,
11 operating, and maintaining generation, transmission, or
12 distribution facilities within this State, or any entity with
13 which the applicant has contracted to perform those functions
14 within this State, have the requisite knowledge, skills,
15 training, experience, and competence to perform those
16 functions in a safe and responsible manner in order to provide
17 safe and reliable service, in accordance with the criteria
18 stated above.

19 (b) The General Assembly finds, based on experience in
20 other industries that have undergone similar transitions, that
21 the introduction of competition into the State's electric
22 utility industry may result in workforce reductions by electric
23 utilities which may adversely affect persons who have been
24 employed by this State's electric utilities in functions
25 important to the public convenience and welfare. The General
26 Assembly further finds that the impacts on employees and their

1 communities of any necessary reductions in the utility
2 workforce directly caused by this restructuring of the electric
3 industry shall be mitigated to the extent practicable through
4 such means as offers of voluntary severance, retraining, early
5 retirement, outplacement and related benefits. Therefore,
6 before any such reduction in the workforce during the
7 transition period, an electric utility shall present to its
8 employees or their representatives a workforce reduction plan
9 outlining the means by which the electric utility intends to
10 mitigate the impact of such workforce reduction on its
11 employees.

12 (c) In the event of a sale, purchase, or any other transfer
13 of ownership ~~during the mandatory transition period~~ of one or
14 more Illinois divisions or business units, and/or generating
15 stations or generating units, of an electric utility, the
16 electric utility's contract and/or agreements with the
17 acquiring entity or persons shall require that the entity or
18 persons hire a sufficient number of non-supervisory employees
19 to operate and maintain the station, division or unit by
20 initially making offers of employment to the non-supervisory
21 workforce of the electric utility's division, business unit,
22 generating station and/or generating unit at no less than the
23 wage rates, and substantially equivalent fringe benefits and
24 terms and conditions of employment that are in effect at the
25 time of transfer of ownership of said division, business unit,
26 generating station, and/or generating units; and said wage

1 rates and substantially equivalent fringe benefits and terms
2 and conditions of employment shall continue for at least 30
3 months from the time of said transfer of ownership unless the
4 parties mutually agree to different terms and conditions of
5 employment within that 30-month period. The utility shall offer
6 a transition plan to those employees who are not offered jobs
7 by the acquiring entity because that entity has a need for
8 fewer workers. If there is litigation concerning the sale, or
9 other transfer of ownership of the electric utility's
10 divisions, business units, generating station, or generating
11 units, the 30-month period will begin on the date the acquiring
12 entity or persons take control or management of the divisions,
13 business units, generating station or generating units of the
14 electric utility.

15 (d) If a utility transfers ownership ~~during the mandatory~~
16 ~~transition period~~ of one or more Illinois divisions, business
17 units, generating stations or generating units of an electric
18 utility to a majority-owned subsidiary, that subsidiary shall
19 continue to employ the utility's employees who were employed by
20 the utility at such division, business unit or generating
21 station at the time of the transfer under the same terms and
22 conditions of employment as those employees enjoyed at the time
23 of the transfer. If ownership of the subsidiary is subsequently
24 sold or transferred to a third party during the transition
25 period, the transition provisions outlined in subsection (c)
26 shall apply.

1 (e) The plant transfer provisions set forth above shall not
2 apply to any generating station which was the subject of a
3 sales agreement entered into before January 1, 1997.

4 (Source: P.A. 90-561, eff. 12-16-97.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.".